GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:673
ANSWERED ON:12.05.2000
GROWTH RATE OF CAPITAL GOODS
GORDHANBHAI JAVIA

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the growth rate of capital goods, consumer durables, automobiles and cement industry has been steadily declining;

(b) if so, the growth rate during 1998-99 and 1999-2000;

(c) the reasons for decline; and

(d) the steps taken to boost the growth rate?

Answer

THE MINISTER OF COMMERCE AND INDUSTRY [SHRI MURASOLI MARAN]

(a) to (d) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 673 FOR ANSWER ON 12-5-2000.

(a) & (b) : The Industrial growth rate during the last three years in respect of the different sectors are as follows :

SECTORS	Weight	1995-96 (Apr-Feb)	1996-97 (Apr.-Feb)	1997-98	1998-99	1998-99	99-2000
OVERALL	1000	12.7	5.6	6.6	4.0	3.8	7.9
CAPITAL GOODS	96.9	4.1	9.3	5.3	12.6	11.9	5.4
CONSUMER DURABLES	51.2	25.8	4.6	7.8	4.7	3.6	12.9
CEMENT ALL KINDS	19.8913	6.7	8.2	13.1	5.8	5.2	15.0
AUTOMOBILES							
PASSENGER CARS	3.5795	26.2	20.7	-3.8	2.4	N.A.	48.5
MOTORCYCLES	3.1970	25.3	22.6	9.8	22.7	N.A.	36.3
SCOOTERS AND MOPEDS	4.8986	15.3	6.4	3.3	-5.0	N.A.	6.0

(c) : In a dynamic economy, different segments of industry experience differential growth rates with the newer segments growing. Technological change and innovation takes place all the time. New products and/or processes replace the older ones. Some industries also follow a cyclical path and accordingly growth rate changes.

(d) : The various measures to boost industrial growth, inter-alia, are deregulation of industry in terms of reduction in the number of Government approvals for setting up of industry, creating investor friendly environment for the infrastructure sector, introducing competition and rationalisation of tax structure, etc.